IC 2001-1 TO AFI 38-201, DETERIMINING MANPOWER REQUIREMENTS

8 NOVEMBER 2001

★*SUMMARY OF REVISIONS*

This change expands previous guidance concerning development of Contract Manpower Equivalents (CME) to outline responsibilities at HQ USAF, MAJCOM, and Center/Installation levels. Standard CME development methodologies are introduced for the purpose of creating more consistency throughout the Air Force.

★**Chapter 6**

CONTRACT MANPOWER EQUIVALENTS (CME)

6.1. Objective. Manpower and Organization (MO) functions must accurately define our contract manpower equivalent (CME) requirements for service-type contracts. CMEs apply to services listed in Attachment 4 of this instruction.

6.2. Purpose. CME computation and documentation provide the Air Force with an estimate of the size of the contractor workforce, as part of the total Air Force manpower requirements documented in the Manpower Data System (MDS) supporting the Air Force mission. The methodology in this chapter will be used to compute and validate Air Force CME requirements for applicable service-type contracts.

6.3. Roles and Responsibilities. The following roles and responsibilities apply:

6.3.1. HQ USAF:

6.3.1.1. HQ USAF/XPM provides MAJCOMs with CME computation and documentation policy to ensure CMEs are properly entered in the MDS. HQ USAF/XPM serves as the primary Air Force point of contact for consolidating and reporting CME information to external agencies.

6.3.1.2.   SAF/AQC provides guidance to MAJCOM/Directors of Contracting regarding the policy for standard CME computation and documentation, as it applies to contracting activities throughout the Air Force.

6.3.1.3. HQ USAF/IL provides guidance to MAJCOM functional managers to ensure the policy for standard CME computation and documentation as it applies to Depot Maintenance Activity Group (DMAG) and Supply Maintenance Activity Group (SMAG) activities.

6.3.1.4. HQ USAF/FM provides guidance to assist MAJCOM and Wing Manpower and Contracting offices in their efforts to identify and quantify CMEs based on budget expenditures (ref. para. 6.5.1.3.).

6.3.1.5. 11WG/XPM implements CME computation and documentation policy for the 11 WG, Headquarters United States Air Force, FOAs, DRUs, Air Force elements in DOD agencies, and unified commands for which it provides manpower support. 11WG/XPM ensures that current CMEs are loaded in the August end of month MDS file.

6.3.2. Major Commands (MAJCOM).

6.3.2.1. MAJCOM/XPMs, in coordination with MAJCOM/Directors of Contracting, implement and distribute to subordinate manpower offices CME computation and documentation policy. MAJCOM/XPMs also ensure MDS projects from base level and MAJCOM input reflect current CME requirements (i.e., headquarters and wing level) and are loaded in the August end of month MDS file.

6.3.3. Center/Installation.

6.3.3.1. The contracting, functional managers, civilian personnel, and financial management offices play vital roles in the CME validation process. The MO offices, in coordination with these agencies document CME data for applicable service-type contracts on the base. Specific responsibilities are outlined in the following paragraphs:

6.3.3.2. **Manpower and Organization Office.**

6.3.3.2.1. Review and coordinate on all requests for service contracts.

6.3.3.2.2. Review CMEs when service-type contracts are requested, modified, or terminated.

6.3.3.2.3. Non-A-76 CMEs. Maintain accurate accounting of CMEs by Functional Account Code (FAC) using the AF Form 4298, CME Documentation Log.

6.3.3.2.4. A-76 CMEs. Enter CMEs in the MDS immediately upon the final cost comparison or direct conversion decision announcement.

6.3.3.2.5. Recurring CMEs. Review/validate CME annually for accuracy, with functional participation. Transmit MDS CME transactions to command XPM as contract service requests are processed (e.g., AF Form 9) in time to be included in the August end of month MDS file.

6.3.3.2.6. Non-recurring CMEs. Review/validate CME annually for accuracy with functional participation. From total non-recurring requirements entered on the CME Documentation Log, transmit MDS CME

transactions to command XPM in time to be included in the August end of month MDS file. This update is accomplished once per fiscal year.

6.3.3.2.7. Centrally Managed Contracts. These contracts are typically managed by one organization from which other organizations can utilize/buy support. Determine the local user portion of the contract, in coordination with the functional OPR, and enter associated MDS CME transactions for that organization (e.g., an environmental support contract administered by AF Center for Environmental Excellence (AFCEE) that MAJCOMs might purchase environmental civil engineer support.)

6.3.3.3. **Contracting Office.**

6.3.3.3.1. Provide supporting data (e.g., contract requirements, total contract cost, contract labor cost, contractor full-time staffing, or man-hour estimates) as available to the manpower office, as required for applicable service-type contracts.

6.3.3.4. **Functional OPR.**

6.3.3.4.1. Routes requests for service contracts, including modifications and terminations, to the Manpower office for review prior to submission of the requirement to contracting agencies.

6.3.3.4.2. Provides technical information (e.g., AFSC, FAC, skill-level, contract cost, start/stop dates) to the Manpower office for use in documentation of CME requirements.

6.3.3.4.3. Assist Manpower to verify CME data to be entered in the MDS in time to be included in the August end of month MDS file.

6.3.3.5. **Financial Management Office.** The Financial Management office provides actual service contract expense data to the Manpower office, quarterly, for obligations that may result in contractor support as required.

6.3.3.6. **Civilian Personnel Office**. The Civilian Personnel office provides personnel information supporting the CME validation to the functional representative and Manpower office as required.

6.4. **Methodology for CME Computation Resulting From Competitive Sourcing (i.e., A-76 Studies).**

6.4.1. When an activity converts to a contract operation as a result of a cost comparison study, the CMEs entered in the MDS are the number of manpower positions bid in the Air Force Most Efficient Organization until the current contract is subsequently terminated or modified. If terminated, delete CME

requirements from MDS effective with the termination date. If modified, and requirements mandate changes to CMEs, determine new requirement and update MDS.

6.4.2. When an activity converts to contract using direct conversion procedures, the CMEs entered in the MDS are the number of manpower positions authorized in the activity prior to conversion. In the event of contract termination, delete CME requirements effective as of the termination date. If contract modification mandates changes to CMEs, determine new requirement and update MDS.

Figure 6.1. Flowchart for Competitive Sourcing (A-76) CME Process.

FLOWCHART FOR
COMPETITIVE SOURCING (A-76) CME PROCESS
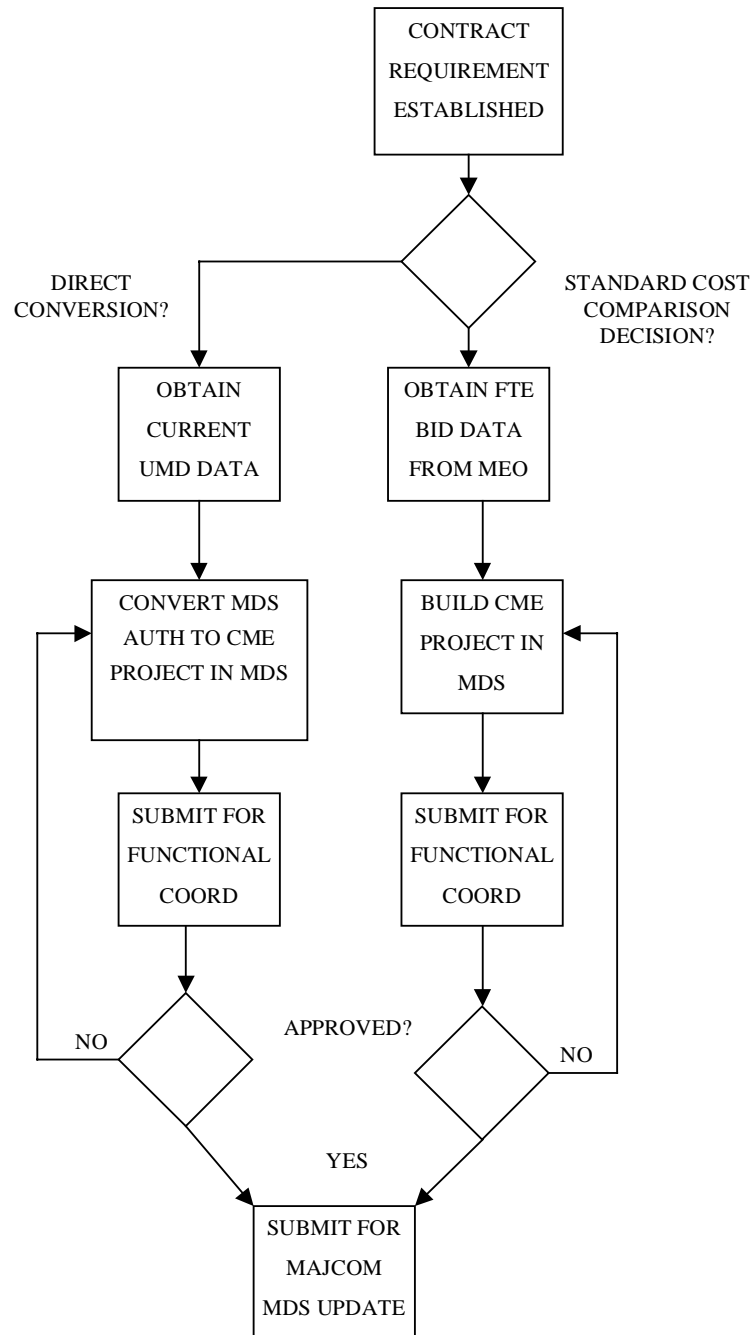
6.5. Methodology for CME Computation Outside the Competitive Sourcing Process.

 6.5.1. CMEs are also computed for applicable service-type contract workload (recurring and non-recurring) of $25,000 or more annually. Recurring workload normally continues throughout the year from year to year (e.g., custodial services, food services). Non-recurring workload is limited to a one-time requirement, generally lasting one year or less, and is not continuous from year to year (e.g., disaster clean-up, air show/open house support). The total CME work year equivalent for each function will be updated in MDS at the end of each fiscal year. The intent is to obtain the most accurate estimate of CMEs for the work performed. Methods 1, 2, and 3, outlined in the following paragraphs, reflect a hierarchy of most to least accurate and will be used to calculate CMEs.

6.5.1.1. Method 1. Use contractor equivalent full-time staffing levels, as available through the contracting office and verified by the functional OPR. Work with the contracting officer and functional OPR to obtain the appropriate manpower detail and enter verified data directly into MDS.

6.5.1.2. Method 2. If a functional estimate is not available, estimate CME requirements by applying existing manpower standards or other techniques in AFMAN 38-208, Management Engineering Program (MEP) Quantification Tools, such as operational audit.

6.5.1.3. Method 3. If Method 1 and Method 2 are not feasible, use the contract value budgeted/obligated or awarded for the effort involved as a basis to estimate CME requirements. Financial management personnel at the base level can assist action officers in extracting actual obligation/expenditure data from financial systems, as well as budgeted funding set aside for future obligation. Once collected, this data may be categorized by element of expense investment code (EEIC) for CME estimation. Financial management personnel can also assist in the management of data contained in DoD legacy systems (i.e., Integrated Accounts Payable System (IAPS), Mechanization of Contract Administration Services (MOCAS), Computerized Accounts Payable System (CAPS)), which do not contain actual and recurring obligation amounts, but specific contractual data.

Figure 6.2. Flowchart for Non-A-76 CME Process (Recurring).

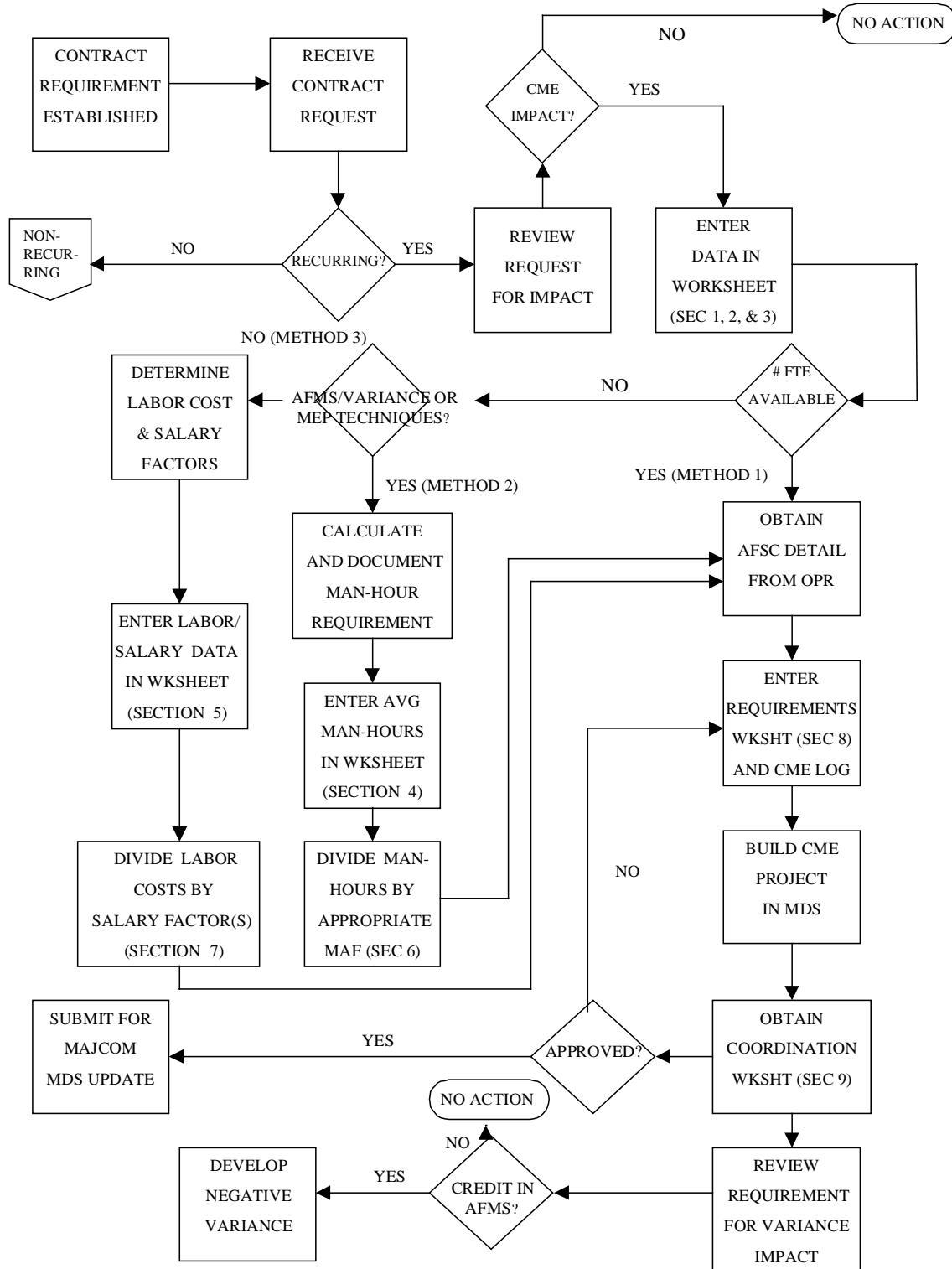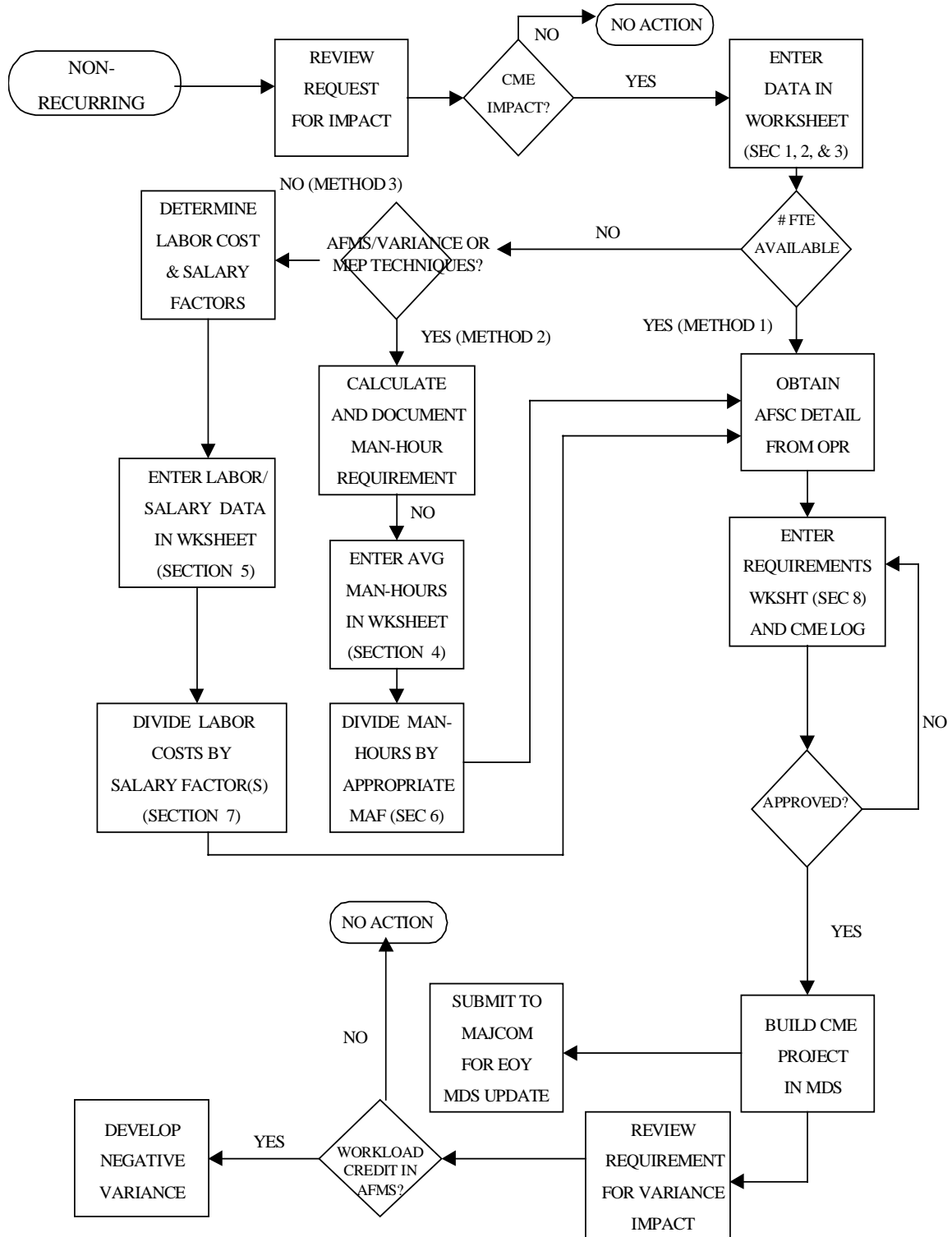## FLOWCHART FOR NON-A-76 CME PROCESS (RECURRING)

Figure 6.3. Flowchart for a Non-A-76 CME Process (Non-Recurring).

FLOWCHART FOR NON-A-76 CME PROCESS (NON-RECURRING)

6.5.2. The AF Form 4299, CME Computation Worksheet, provides a step-by-step process for the local Manpower office and MAJCOM/XPM (for workload performed at headquarters) to determine the non-A-76 CMEs associated with a service-type contracts. An electronic version of this worksheet can be found on the AFMIA web-site at www.afmia.randolph.af.mil. Information obtained through the completion of the CME Computation Worksheet should be transferred onto the CME Documentation Log maintained by the Wing Manpower office or MAJCOM/XPM (for headquarters workload). The following explains each section of the worksheet.

6.5.2.1. **Section 1 - Source of Contract Request.** Identify the appropriate source(s) used to request the contract service(s). Enter appropriate code from Sections 1.a through 1.f.

6.5.2.2. **Section 2 - Contract Request Detail.** Obtain contract information from contracting office and verify dates with functional representative. Enter appropriate codes in Section 2.a through 2.f, as applicable.

6.5.2.3. **Section 3 - Unit Manpower Document Data.** Enter the requested data in Sections 3.a through 3.g. The unit responsible for contract workload is the organization that would be required to accomplish the contracted workload if it were being performed in-house. (Example: For a "Telephone Maintenance" contract in support of the Hospital, the base Communications Squadron would normally be responsible for accomplishing this type of workload, if it were to be done in-house. Therefore, they would be the "unit responsible for contract workload," not the Hospital).

6.5.2.4. **Section 4 - Workload Calculations.** Use this section if contractor full-time staffing estimates cannot be determined using Method 1. If the applicable manpower standard does not provide sufficient detailed information to allow the computation of average monthly man-hours, explain this in attached documentation, and use the "cost estimating procedures" in Section 5. There may be unusual circumstances where work covered by a manpower standard or variance, and resulting from an extreme or unusual surge in workload, is accomplished by a one-time contract. When this occurs, adjustments to in-house manpower requirements may not be appropriate. However, for recurring and non-recurring workload that produces a CME in a function for two or more consecutive years, the associated workload man-hours should be documented in Section 4.a.

6.5.2.5. **Section 5 - Labor Cost Calculations.** If CMEs cannot be quantified using contractor full-time staffing estimates (Method 1) or calculations based on workload (Method 2), use this section to estimate CMEs based on contract dollars (Method 3). For labor cost approximation, the manpower technician should work with the contracting officer, and the functional OPR to obtain labor cost estimates, and average salary rates using the most recent Department of Labor (DoL) Wage Determination with consideration for collective bargaining agreements and/or host country equivalents for foreign locations. Once the average contractor salary

has been determined, it should be adjusted by the current Office of Management and Budget (OMB) Fringe Benefit Factors available on the AFMIA web-site at www.afmia.randolph.af.mil or host country equivalent for foreign locations. Once the total CMEs are determined for a function based on costs, work closely with the functional OPRs to determine the appropriate functional data used for each CME to be loaded in MDS.

6.5.2.6. **Section 6 - CME Computation Based on Workload.** This section computes CMEs based on information entered in Section 4 using Method 2. Otherwise leave blank.

6.5.2.7. **Section 7 - CME Computation Based on Contractor Labor Cost.** This section computes CMEs based on information entered in Section 5 using Method 3. Otherwise leave blank.

6.5.2.8. **Section 8 - Total CMEs Required.** This section shows CME totals derived from using CME calculation Methods 1 and 2 by combining totals shown in Sections 6 and 7 respectively. For CME calculation Method 1, enter annualized CME requirement directly based on verification of contractor's full-time staffing level and skip completion of Sections 4 through 7.

6.5.2.9. **Section 9 - Approval.** Obtain Manpower and Functional signatures to document approval of CME computation.

6.6. CME Documentation.

6.6.1. A-76 CMEs.

6.6.1.1. CMEs determined by paragraph 6.4. are entered in the Commercial Activity Management Information System (CAMIS) as Number of Government Work Years Bid.

6.6.1.2. For CMEs resulting from an A-76 cost comparison, use the UMD detail outlined in the government's most efficient organization (MEO) to establish CMEs.

6.6.1.3. For CMEs resulting from an A-76 direct conversion, use the UMD detail outlined in the MDS at the time of the direct conversion to establish CMEs.

6.6.1.4. MDS Specific Coding Instructions for A-76 CMEs:

6.6.1.4.1. Enter all attributes required for a CME record from the cost comparison or direct conversion.

6.6.1.4.2. Enter Manpower Standard Implementation (MSI) attribute of "g", and Manpower Function Code (FCT) attribute of "j".

6.6.1.4.3. Enter Department of Defense function code (DFC), year of last review (YLR), and year of next review (YNR) based on details of the specific completed cost comparison or direct conversion.

6.6.1.4.4. Enter the Air Force Remarks (RMK) attribute listed below to identify an A-76 CME. In addition, if an A-76 CME possesses an Air Force Remarks code other than C1, it must be corrected.

Code Definition
 C1   A-76 Study

6.6.2. Non-A-76 CMEs.

6.6.2.1. The CME Documentation Log is available on the AFMIA website at www.afmia.randolph.af.mil. The spreadsheet will be used to document all CME MDS transactions for service-type contracts occurring outside the A-76 process.

6.6.2.2. CMEs are estimated for recurring workload, documented on the CME Documentation Log, and are loaded into the MDS as soon as possible after contract award.

6.6.2.3. CMEs are estimated for non-recurring workload, documented on the CME Documentation Log, and are loaded in the MDS in time to be included in the August end of month MDS file. The CME entered in MDS (for the next fiscal year) should reflect the work year equivalent for the CME workload in a function during the current fiscal year. For example, if the Pavement and Grounds function has a contract requiring three CMEs and another contract requiring two CMEs, the MDS should be updated to reflect five CMEs for that function.

6.6.2.4. Where an AFMS exists, the associated manpower with validated CMEs will be subtracted from the total earned authorizations during application of the standard. For non-recurring CME workload, subtract CME workload for functions that document CMEs for two or more consecutive years.

6.6.2.5. MDS Specific Coding Instructions for Non-A-76 CMEs:

6.6.2.5.1. Enter all attributes required for a CME record.

6.6.2.5.2. Recurring contracts. Enter CME effective the date the contract starts through infinity, unless the end date is known.

6.6.2.5.3. Non-recurring contracts. Enter CMEs as an annualized amount-- for the previous fiscal year--with an effective date of the 4th quarter of the current fiscal year and a THRU date as the 4th quarter of the following fiscal year.

6.6.2.5.4. Enter Manpower Standard Implementation (MSI) attribute of "g", and Manpower Function Code (FCT) attribute of "j" and the appropriate attribute for the Department of Defense function code (DFC). Also, enter year of last review (YLR), and year of next review (YNR).

6.6.2.5.5. Enter one of the Air Force Remarks (RMK) attributes listed below to identify the appropriate Non-A-76 CME definition. In addition, if a Non-A-76 CME currently has an Air Force Remarks code, it must be corrected to correspond to one of the definitions listed below.

Code	Definition
C2	Advisory and Assistance Service (A&AS)
C3	Federally Funded Research and Development Center (FFRDC)
C4	Depot Maintenance Activity Group (DMAG)
C5	Supply Maintenance Activity Group (SMAG)
C6	Contract not described in C1 through C5

6.6.2.5.6. Show CMEs in the unit responsible for contract workload if it were being performed in-house. If the unit that would be responsible for accomplishing the workload does not exist, reflect the CMEs in the next higher unit level of the installation, where the work is performed. Add annualized CME estimated for each organization, by FAC, to determine the total CME for the organization, prior to entry into MDS.

Attachment 1

GLOSSARY OF REFERENCES AND SUPPORTING INFORMATION

Term TO BE CHANGED:
★**Contract Manpower Equivalent (CME)**—The number of man-years required if in-house employees or a contractor work force perform a contracted workload at a specified level of performance.

*Term TO BE ADDED***:**
★**Man-Year Equivalents –** The number of productive man-hours required per year to equate to one Contract Manpower Equivalent (CME). Man-Year Equivalents sometime vary based on the type of contract. Man-Year Equivalents by category are as follows:

1. Advisory and Assistance Services Contracts = 1764 man-hours per year
    a. Based on MAF of 147.

2. Federally Funded Research & Development Center (FFRDC) Contracts = 1810 man-hours per year
    a. Based on MAF of 150.83.

3. Other Service Contract not list above = 1776 man-hours per year

a. Based on MAF of 148.

Term TO BE DELETED:
★**Finite Workload**—Deleted.

★**Attachment 4**

SERVICE-TYPE CONTRACTS INCLUDED OR EXCLUDED IN THE CONTRACT MANPOWER EQUIVALENT DEVELOPMENT PROCESS

A4.1. Include contracts that:
A4.1.1. Operate, maintain, repair, overhaul, rehabilitate and/or modify Air Force equipment.
A4.1.2. Maintain, repair and/or alter Air Force real property.
A4.1.3. Provide architectural-engineering master planning.
A4.1.4. Engineer and/or install equipment.
A4.1.5. Operate facilities and/or systems.
A4.1.6. Provide housekeeping or base services.
A4.1.7. Operate and/or maintain government-owned utility systems.
A4.1.8. Provide demilitarization and/or disposal services.
A4.1.9. Train in-service personnel, including dependents.
A4.1.10. Provide medical and/or legal services.
A4.1.11. Provide photography, duplicating, or copying services.
A4.1.12. Provide special studies and/or related services, including consultant services.
A4.1.13. Design and/or test new weapons systems, techniques and equipment.
A4.1.14. Provide engineering and/or technical services.
A4.1.15. Provide services under industrial funds.
A4.1.16. Operate and/or maintain leased or rented equipment and facilities.
A4.1.17. Provide personal services.
A4.1.18. Acquire services via Depot Maintenance Activity Group (DMAG) Funds.
A4.1.19. Acquire services via Supply Maintenance Activity Group (SMAG) Funds.
A4.1.20. Provide Advisory and Assistance Services (A&AS) including support provided by Federally Funded Research and Development Centers.

A4.2. Exclude service-type contracts that:
A4.2.1. Acquire Air Force equipment.
A4.2.2. Operate government-owned industrial facilities incidental to a production contract.
A4.2.3. Engineer or install equipment incidental to a production contract.
A4.2.4. Construct facilities or provide engineering and related services financed by military construction appropriation.
A4.2.5. Purchase supplies (except the labor portion of Contractor Operated Civil Engineer Supply Store (COCESS) and Contractor Operated Parts Store (COPARS), utilities and commodities.
A4.2.6. Lease or rent equipment and facilities.
A4.2.7. Acquire military off-duty education programs.
A4.2.8. Acquire "fare" surface or water off-base transportation.